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REPRESENTATIVE FRED AGNICH  
November 22, 1983

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Interviewer: Ronald E. Marcello  
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Oral History Collection

Representative Fred Agnich

Interviewer: Dr. Ronald E. Marcello                      Date of Interview: November 22, 1983

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Dr. Marcello: This is Ron Marcello interviewing Representative Fred Agnich for the North Texas State University Oral History Collection. The interview is taking place on November 22, 1983, in Dallas, Texas. I'm interviewing Mr. Agnich in order to get his reminiscences and experiences and impressions while he was a member of the 68th Texas Legislature. Mr. Agnich, to begin this interview, let's talk first of all in terms of personalities, and let's talk a little bit about the newly elected speaker of the Texas House of Representatives, "Gib" Lewis. Compare or contrast the style, if I may use that word, between Speaker Clayton and Speaker Lewis.

Mr. Agnich: I think that Speaker Lewis is doing a better job than Speaker Clayton. He runs the House in a more democratic fashion than Speaker Clayton did. All of the important decisions that are made in the House are always run by the committee chairmen. We meet as a group, and we meet once a week, and we go over the business of the House--what's coming up. The speaker is perfectly open when he talks to us, and he listens to what everybody has to say, so you definitely get the feeling that

you are a part of a the process of decision making.

Further than that, most of the committee chairmen--I know I did--on matters of particular significance will go to the trouble of polling our committee members to find out what their feelings are. So I think we have, in my estimation, a much better-run House than we had under Speaker Clayton, though I had no problems with Clayton, either.

Marcello: Do you think in part this might have been the case because Clayton was there so much longer? In other words, did you see this trend in Clayton's leadership evolving, or was it there from the beginning?

Agnich: No, I think that Speaker Clayton operated much the same the whole time he was there, and I don't want to infer that I thought he was dictatorial, as a lot of people complained he was. I had no problems with him. But I just think that the process we now have is a more open process and one that, I think, contributes much more to harmony in the House than we had under Clayton.

Marcello: Let me ask you this. At the beginning of the session, there were some rules changes, one of which gave the speaker the power to, I guess we could say, hire or fire his committee chairmen or vice-chairmen. What was your reaction to this rules change?

Agnich: Well, I don't know that that was, in effect, a rules change because that has always been the case, but it had not been

specifically set out in the rules. The only difference was that there was no change in procedure, but it was spelled out in the rules. I think that it has to be that way. The speaker is, after all, held more accountable for the actions of the House than any other member. Therefore, he ought to have the right to get rid of a committee chairman if the committee chairman is incompetent or isn't doing his job. You remember that we changed here a few years back the process of the governor being able to recall some of his appointees because in the past the governor would appoint someone, and then if it didn't work out, the governor had an "out." He could say, "Well, I can't do anything about it." So I think you have to have that situation in the House.

Marcello: Also, is it safe to say that although one doesn't necessarily want to have a puppet as a committee chair, you nevertheless want somebody in there that's not going to sabotage the speaker's programs or programs of the House?

Agnich: That's right. The speaker, as far as I know, never put undue pressure on the committee chairmen, but many cases where I'd have an issue before my committee, I'd call the speaker up and talk it over with him. I'd say, "Look, Mr. Speaker, we've got this. It's a narrow issue. What are your feelings on it? Do you have any desires one way or another?" I'd take that into account, although I would not necessarily do what he would ask me to do.

Now the speaker has other powers in that he has the power of referring bills to committees. I ribbed Lewis a little bit because there were four or five bills that came up that should have been sent to my committee but instead were sent to Tommy Craddick's Natural Resources Committee. I suspect--though the speaker kind of grinned and didn't really tell me so--that that was because he was afraid I would let those out of my committee, and I might have, too, (chuckle) whereas he knew that Craddick wouldn't. But that was a friendly interchange between us. It wasn't really all that serious.

Marcello: Again, this is one of the speaker's powers in the legislative process.

Agnich: Yes, his prerogative. That's right.

Marcello: Another one of the rules changes involved doing away with seniority relative to appointments to Appropriations.

Agnich: I think that's the most forward step that's been made in the reorganization of the House since we got rid of "Gus" Mutscher.

Marcello: Why is that?

Agnich: Because we had members sitting on the Appropriations Committee who--I'm not going to name them by name--because of seniority were sitting there year after year and really did not contribute all that much to the process. The system we now have provides that each committee has a member on the Appropriations Committee so that the agencies that are under the jurisdiction

of that particular committee have a direct input into what goes on in the appropriative process; and it enables the speaker to pick members who are hard-working and who are particularly good at this kind of thing. We don't have some members like we used to have who only thought about their own district and to hell with everybody else. You have a much broader outlook, and I think it's a great change. I really do. It didn't bother me a bit. We should have done it years ago.

Marcello: Who was the member of Appropriations from your committee?

Agnich: Frank Collazo from the Beaumont area, Port Arthur--somewhere in there.

Marcello: Okay, let's talk a little bit about Mr. Lewis's selection as speaker of the House as it directly affected you. In other words, describe what you know about the process in terms of his approaching you or your decision to pledge to him and so on--although I know what your usual position is on pledging.

Agnich: The speaker was very careful not to violate the law either in spirit or literally. To my knowledge he never promised anyone a position of any kind in return for his support as speaker. To a large extent, or to a certain extent, I suppose, is better, I was responsible for him getting off the ground because the first real push for his candidacy as speaker came as a result of a letter from me to the Republican members of the House, and the result was that twenty Republican

members immediately signed up behind "Gib" Lewis. That, of course, gave him a tremendous jump on anyone else because, as you know, the division in the House among the Democrats is still about 50-50 conservative-liberal, and any member almost has to have the bulk of the Republican vote if he wants to be speaker. So that's the way that happened.

I felt that...well, "Gib" was elected to the House during my first term, and so I knew him very well indeed. Despite what a lot of people said about him--I remember a rumor saying, "Well, he's kind of stupid"--Well, he's a lot sharper than most people give him credit for. I thought that he would do a good job as speaker. But in my case there was no discussion of a committee chairmanship, although I did anticipate that I would be chairman of Environmental Affairs if for no other reason than I knew more about it than any other member in the House because that's the area I had specialized in.

Marcello: Did you or did you not pledge to Speaker Lewis?

Agnich: I had a little fun with Speaker Lewis. The only previous time I'd ever signed a pledge card was for Rayford Price, who was the speaker after "Gus" Mutscher, and I would only sign it good for one week. And the next week would come and Rayford would come to me, and I'd say, "Well, what have you done for me this week?" you know, just teasing him. So I kind of did the same thing with "Gib." I'd put a termination date on it, and I told him, "Heck, 'Gib,' somebody might find



you in bed with Bella Abzug. I don't know what's going to happen, so I've got to have a way out." (chuckle)

Marcello: Let's continue on with our discussion of Speaker Lewis. Very early in the session, he got into hot water, at least with the press, concerning his failure to present full financial disclosure of his assets. What was your reaction to his failure to do so and to the press's reaction?

Agnich: Well, I told the speaker that I thought he'd been awful stupid in failing to record that, but on the other hand, you know, those financial statements..most members figure that that's something..."Oh, God, I've got to get this thing in next week," you know, and they just get a piece of paper and say, "Oh, I've got this and that," and they turn it in without really having a CPA or anyone looking at it. It doesn't matter if you don't have any business interests, but if you have them as varied as apparently Speaker Lewis does, you ought to have your CPA go over the thing first to make sure that you haven't inadvertently forgotten something.

My reaction to the press was that it was interesting to observe that the real vocal criticism of Speaker Lewis came from the Dallas and Fort Worth newspapers, not really from the rest of the state. It was confined almost to his own backyard for some reason.

I think it was an unfortunate thing. I think that Speaker Lewis learned a lesson, and I think that in the future that

his reports are going to be pretty accurate. I thought maybe the press was a little hard on him, but on the other hand, I think it's important that they raised the issue just to be sure that in the future members are more careful about their financial statements. You know, we once had a member that used to turn in his statements on a roll of toilet paper (chuckle).

Marcello: I didn't know that.

Agnich: (Chuckle) Yes, because that's what he said he thought of the whole process.

Marcello: We make light of this in the case of this particular representative, but in talking to others of your colleagues, I gather that not too many people did really take this as seriously as perhaps they might have.

Agnich: You mean the turning in of the financial statements?

Marcello: Yes.

Agnich: Yes, I think so. I think most members thought it was just a pain in the rear, you know, to have to sit down and put all that junk down. Way back when we first passed the Financial Disclosure Act, I was responsible for killing the bill--the first one that came up when Price Daniel, Jr., was speaker--because what he had proposed was totally unworkable. His would have required what would have amounted to a detailed financial statement, and I totally object to that on many grounds, particularly with respect to members who really don't

have much of a net worth. They're in the legislature working, and the wife is home trying to run the business, and he comes out and his net worth is \$1,500. Then his competitor across the street sees it and says, "I'll just lower my prices for three months and bust him out, and that will be the end of it." So I think what you need in a financial statement is to know for sure the companies you are an officer of; you need to know where you have stock, but not the amount. I think those are the important things so that you can be sure that there is no undue influence being exerted.

Marcello: I guess where Speaker Lewis really got into trouble was the fact that he came out in opposition to raising the minimum drinking age and to an open container law, and then it was revealed that some of his business partners came from the liquor and beer interests.

Agnich: Well, I was in favor of raising the drinking age, but I was totally opposed to the open container law because to me it is totally unenforceable. If you have any teenage kids--I don't care how careful you are--they're going to be out drinking beer; and if you have any children, you know how careless they are about cluttering up a car with all kinds of junk. An empty beer can can roll under your feet, and you don't even know it's there. You're stopped, and there you are--you've got an open container. Well, then we got down to the business of how do you define an open container. Well,

it's practically impossible. There isn't any way.

Marcello: Then, of course, another thing that hurt him was the fact that his amended financial statement amounted to something like twenty-one pages.

Agnich: Yes, that's right. I think that he was trying to lean over backwards by then, and that last one was probably more detailed than was needed. I did rib him a little bit about the fact that I thought he'd been a little lax (chuckle).

Marcello: What would have been your advice to him had he come to you for any in terms of what to do at that point. In other words, here are the revelations that he had turned in an incomplete financial statement. What would have been your advice at that point? To "stonewall" it or turn around and do what's required?

Agnich: No, I would never "stonewall" it. I think that's the worst possible thing you can do. The only thing you can do at that point is say, "Look, I made a mistake, and I'm sorry. I'm going to put everything down as it should be. These are the reasons I made the mistakes. It may be stupid, but I did it, and now I'm going to rectify it."

In that respect, when Richard Nixon was inaugurated for the second time, I was in Washington and visiting with him, and I asked him about the Watergate thing. I said, Mr. President, if there's anything to it, you ought to just throw it wide-open and let the chips fall." He said, "Oh, there's

nothing to it." And it was that "stonewalling" that got him in trouble. If he'd 'fessed up to it, it would have been a matter that would've blown over in three or four months, and that would have been the end of it.

Marcello: Did you detect or observe these revelations having any effect on the speaker's ability to carry out the business of the House?

Agnich: No, I don't think so. I think that even some of his more vocal critics--like Bob Bush from Sherman, who criticized him rather severely at the same time--would say, "He is doing a good job of running the House," except for Carlyle Smith, who's going to bitch about everything, anyway, and nobody pays any attention to him. But I don't think it had any effect on his running of the House--no.

Marcello: Let's talk about another personality relative to the 68th Legislature--Governor Mark White. Again, compare and/or contrast Governor White's style in dealing with the legislature as opposed to Governor Clements's style.

Agnich: Well, Governor White started out as a total disaster in his relations with the legislature. As a matter of fact, until right near the end of the session, the members of the House, I know--and I suspect the Senate--were vocally critical of Governor White. You simply can't bulldoze things through that legislature the way he tried to do, and that was in direct contrast to Clements. Even though Clements had the

reputation of being brash and outspoken, he worked much better with the legislature. Now I will say for Governor White that during the last three or four weeks of the session, he had some good staff people, and I think he finally listened to their advice, and he changed his tactics and for that reason was more successful toward the tailend of the session than he had been the rest of it.

When it came to the teachers' pay raise...he made the campaign promise that he was going to raise the teachers' pay by 24 percent. Well, when the House wouldn't go for that, then he accused the House for renigging on their promises. Well, the members of the House said, "Look, we didn't promise anything. You're the one that promised, not us." And it was a disaster, as was his effort to have public election of PUC members, which would have been in my mind a totally foolish thing. Of course, he got beat pretty badly over that. Toward the tailend of the session, he did establish--what was that-- a Human Resources Committee or something like that, which, I think, is totally not needed. I'm sorry he was successful. But in that case he did work with the legislature much better, and that was the only way that was passed, because of his efforts in promoting it.

Marcello: How do you explain this? After all, the governor had had ten previous years of experience in state government as secretary of state and as attorney general. Granted, he

was not a member--had not been a member--of the legislature, but how do you explain his lack of finesse?

Agnich: Well, it's a question of whether he had ten years of experience or one year's experience ten times. You know, there's a difference.

Marcello: This is true.

Agnich: Yes. I thought that Mark White was about as incompetent an attorney general as the state has ever seen. Now John Hill, who preceded him, was supposed to be very liberal and everything else, but he ran a good shop; and as a member of the legislature, you could call John Hill when you needed an opinion or something, and you got an answer right now. But if you called Mark White, even as a committee chairman, when he was attorney general, you never got an opinion from him. What he did as attorney general, I don't know, and I think that characterized certainly the bulk of his first session with the legislature, except for the tailend, where he did begin to do better.

Marcello: There also was some criticism concerning his use of the media to try and put pressure on the legislature. What was your reaction to this tactic on the part of the governor?

Agnich: Well, it's the same as most of the members of the House who bitterly resented not only his using the media, but also his stated criticism of the legislature when it wasn't the legislature that was responsible for the problem in the first place.

The feeling against the Governor was really high. I'm not only speaking about Republicans here; I'm talking about the Democrats, too, who were really totally upset with him. As I said, though, he did make an effort toward the tailend of the session--I give him credit--to work better with the legislature. I didn't have any personal problems with him, but he was a little...I don't know what the term is, but he certainly did not go about it in the right way.

Marcello: Would it be accurate to say that at the beginning of that legislative session, he more or less practiced the politics of confrontation and showed an unwillingness to compromise?

Agnich: Yes, he did. He found out he was up against a stone wall right away in teachers' pay raises. This is obvious. We had a vote before the Ways and Means Committee, where all taxes must arise, and in bringing up his proposal, I think it lost by a vote of 14 to 1 or something like that. Well, he should have recognized right away that he would have to take different tactics and try a different approach. Instead of that, he tried to go to the press, which was a total failure.

Marcello: I guess he got himself out on a limb when, during the election campaign, he made those promises to teachers in particular, and then he is confronted with the possibility of having to cut...

Agnich: Renig.



Marcello: ...spending once the session started.

Agnich: Well, in addition to that, he neglected to take into account the fact that Bob Bullock, the comptroller, is certainly no great friend and admirer of his. As a matter of fact, they're rather bitter political enemies. He should have known that there was no way that he would have been able to get the comptroller to certify the funds that were required. Bullock is a strange animal in a sense, but he does run a good comptroller's office. His projections of income are conservative, as they should be, and to a large extent he's been responsible for keeping the state out of real serious trouble and having to raise taxes.

But there's just no way that the funds were going to be available for that kind of pay. Furthermore, the legislature was not about to okay that kind of a pay raise without some inclusion of: (1) merit pay; and (2) some accountability of teachers. In other words, let's have the teachers take an exam of some kind to demonstrate whether or not they are competent because, as you know, being in the profession, there are quite a number of teachers that ought not to be out there teaching. A lot of people say, "Well, that's because the pay is low." Well, that could be. But I'd be willing to pay high school teachers a minimum of \$30,000 a year if you had that accountability. So there was no way he was going to get that passed.

Marcello: You mentioned Mr. Bullock a moment ago, and maybe we need to pursue his role in the activities of the 68th Legislature. It is true that several times during that session he did revise the state's projected income in a downward direction.

Agnich: Yes, dramatically, as a matter of fact, by a considerable amount of money. I, however, am inclined to feel that Mr Bullock was being accurate and fair in what he did. The recession had not hit Texas like it had the other states, except in a delayed fashion. With a drop in the price of oil and the late impact of the recession in Texas, why, of course, our revenues decreased correspondingly. Now I'm sure that Mr. Bullock was not in any way going to favor Mr. White's position, but I think that was inevitable. I've warned the legislature for some years, I said, "Look, we're living in a hog's heaven with the dramatic increase in the price of oil, but we're spending every red cent we got coming in, and one day that's going to turn around and bite us." And it did this time.

Marcello: Let me just follow through on that. What would have been the alternative back yonder when Texas was experiencing those rather gigantic budget surpluses?

Agnich: Well, what we should have done...and there were several moves made to do one of two things. One was to set up a capital improvement fund and to, as we say in Appropriations, "rathole," say, \$100 or \$200 million a year, put it in that

fund, then use the earnings from that fund to build our buildings and things of that kind instead of just spending it right and left. The other was, of course, to set up a trust fund, sort of, if you will, where we put in the excess money. If you look at it the way the Permanent University Fund, for instance, or Teachers' Retirement, you're looking at the billions of dollars put in there and the amount of money they earn. Over the period of years, we could have been generating some rather substantial capital for the state instead of spending it on what I consider quite often to be either pork barrel items or foolish items that we should have not have embarked upon.

Marcello: I would also like the record to reflect that these views that you've just expressed were also mentioned in previous interviews, so you're not looking at this from the benefit of hindsight. You're on record as having said this before.

Agnich: Yes, before this happened, in fact.

Marcello: Let me follow through on this, and this really has nothing to do with the 68th Legislature specifically, but it seems to me I've heard you say something about this in the past, too. Now for years I think it is true that the Texas Legislature has been controlled by conservatives.

Agnich: That's right.

Marcello: And normally, the impression is that conservatives are the watchdogs of the treasury and the liberals are the spenders.

Yet, I've heard you mention on occasion--and I think you said it just now--that the Texas Legislature will spend every cent that it gets its hands on.

Agnich: Yes. I think that once, perhaps in an interview with you, I said that an unexpended balance in the state treasury had all the attraction to a legislator that a slightly intoxicated, oversexed blonde would have to a man who'd been on a desert island by himself for three years. He can't keep his hands off it, you know (chuckle). The process is, yes, the legislature will spend every red cent it has, period, on one thing or another. That is why I have for so long advocated this business in the start of the appropriative process to set aside some money--put it in the fund and keep it away. Bullock, thank God, always in the past has been very conservative in his estimates of income, and, thank God, he has because if he hadn't, we would have spent even more, and we would have been in trouble before now.

Marcello: So far as you're concerned, did you or did you not see Bullock's continual revisions as having to do with his gubernatorial ambitions. Do you think that figured in any way or not?

Agnich: Well, I think it may have tempered him somewhat, yes. I think that you would have great difficulty in trying to amass any figures to show that he was way off-base. I don't think he was. But I think he was being cautious, and I think he had in mind the fact that he had no great love for Mark White.

Sure, I expect there was some of that in there.

**Marcello:** Now even before the legislative session started, Lieutenant Governor Hobby was calling for an increase in taxes, and then once the legislature got into session, and it was clear that there would be more or less a shortfall--not as much money as was expected--he called the Senate into a session as a Committee of the Whole to discuss ways and means. What was the reaction of the House members to this, because, after all, spending and appropriations bills originate in the House?

**Agnich:** Yes. The question of where appropriations measures arise is somewhat nebulous, but not taxes. Taxes have to originate in the House. And the House was adamant about it and paid absolutely no attention to what the Senate did. The general feeling in the House was, "Well, the Senate just did that to pass the buck to the House, you know, and say to the teachers, 'Well, we would have given you a raise, but the House wouldn't do it.'"

**Marcello:** Now one of the things that the governor attempted to do early on was to compensate for the shortfall by proposing that the state issue bonds for highway construction and then stringing out other construction costs over several administrations or sessions of the legislature. What was your reaction to this kind of financing procedures?

**Agnich:** Well, I think that was a direct violation of our state Constitution. I think that's deficit financing, and that never had a chance of getting anywhere. That was totally preposterous

to do that! Now the question of extending out and building things, that's a different matter. You can save some money on the short term by spreading your program out over a number of years. Then he had the suggestion that we'd issue some kind of bonds for this, too, and then we'd pay it back from the rental that would come out of these buildings. If that had been done right, so that they were truly revenue bonds, then I'd have no objection to it because I think you could show that the state would save a lot of money by having adequate buildings rather than renting so much property. The problem is, however, that we have too many agencies and too many state employees, and everytime we pass some little innocent act, why, here comes some more demand for office space, and we need to quit doing that.

Marcello: You mentioned that there are too many state employees in your opinion.

Agnich: Yes.

Marcello: What happened this time around relative to the number of state employees? Did you find that the practices started by Governor Clements continued, or did you find or detect an increase in the number of state employees?

Agnich: Well, I don't know what the exact figures were. I think that there was an increase in state employees, but I think the rate of increase was much less than it had been in previous years. Indeed, in the House appropriative process, one of the things

that was looked at very carefully was any request for additional personnel. That really got knocked back, and the Appropriations Committee did a good job in saying, "Look, no."

I feel that we could eliminate 25 percent of our state employees and have all of the services performed just as adequately as they are now. In the TEC building, which is right behind the Capitol, they have a cafeteria. Now if you go in there about eight o'clock or eight-thirty, there's nobody in there; but you get there at ten o'clock, it's jammed with employees. Now, you know, there's something wrong in a system of that kind.

Marcello: Why do you think the governor proposed the issuing of these bonds as a way of getting around this shortfall? I mean, surely, that seems like a rather elementary sort of thing relative to its constitutionality.

Agnich: Well, of course, if you've got your butt in a rack, you're going to do anything you can to get out of it (chuckle), and he was desperately trying to find some money to give the teachers a big pay increase.

Marcello: What kind of pressure was he getting from the teachers, and what kind of pressure were you guys getting from the teachers?

Agnich: Oh, the teachers never bother me very much because I think they've given me up for a lost cause years ago. But, yes, they put intense pressure on...the Texas Teachers Association, TSTA, is probably the...I'd call it the worst, most vicious

lobby we have in the state, period. You talk about a special interest group--they are one. My big argument with them is not that over the salary so much. It is that I think they have forgotten that our schools are supposed to be for the benefit of our children and not for the teachers, and that the schools are owned by the taxpayers of Texas and not the teachers. Yes, if you're going to educate your children correctly, you do have to have good teachers, and you have to pay them adequately; but you must always remember that the end thing you're striving for is to help those children. I have not seen the TSTA do that. They've come up with a lot of propaganda at times, but they are directly concerned only with what the teachers get out of it, and I think that's wrong.

**Marcello:** Now in his search for alternative ways of raising revenue, near the end of the session, the governor proposed increasing the gasoline tax and also certain "sin" taxes. What was your reaction to this proposal?

**Agnich:** Well, with respect to the "sin" taxes, I'll point it out right away that there is an upper limit to "sin" taxes. We already have a tremendous bootlegging operation with cigarettes coming across the border. Everytime you raise taxes above a certain level, say, on liquor or cigarettes or something of that kind, then you drastically increase the amount of bootlegging that occurs. It looks like it's an easy thing to do, but in effect it is not, and it's counterproductive beyond



a certain point.

With respect to the highway tax, of all the taxes that were proposed, I would come closer to that than any other, though I've never yet voted for a tax increase, and I don't know that I'd have voted for that. But at any rate, if it were earmarked entirely for highways, it would have been one thing; but it was a repeated effort to say, "Well, let's take some of it for education, some for something else," and I'm opposed to that. A gasoline tax is in effect a user tax. People that are driving on the highways and using the roads the most will pay the most taxes. To me I see nothing fundamentally wrong with that. We've got a good highway system, but it's in need of a lot of money. So I think that somewhere down here, we're going to have to face up to some more funding from the general revenue fund. As you know, in the last couple of sessions, we have taken money out of the general revenue fund for the purpose of highway repair and construction.

Marcello: Now the governor's tax proposals came rather late in the session, did they not?

Agnich: Yes, too late. Obviously, they were too late to do anything about it.

Marcello: And is that perhaps an indication of his desperation to get the additional revenue that he needed for that teachers' pay raise?

Agnich: Oh, sure, yes. He was grubbing desperately (chuckle) to try to find money somewhere, and it just wasn't there. One of the things we ought to do with the highway system is to go

to toll roads more and more because toll roads are not financed out of state taxes; they're financed by the people who use the toll roads. A lot of people will complain and say, "Well, I'm being taxed because I'm paying highway taxes." But you haven't paid for that road, and that road would not exist unless it were a toll road. And I think the Dallas North Tollway is a classic example. You find a number of things. The highways get built faster, and they get completed much faster under a toll system. It's a revenue bond thing. It does not increase state debt, and I think that's one of the things we ought to look at seriously.

Marcello: I gather that the governor had problems finding sponsors for that legislation, also.

Agnich: Yes, he did. Nobody wanted to run with it (chuckle).

Marcello: Two of his legislative liaisons were Susan McBee and Max Sherman. What would you have to say about their role in the legislative process during the session?

Agnich: Well, I have a great deal of respect for both Sue McBee and Max Sherman. They were excellent members of the legislature when they served in it. Though they never let on, and could not, I think that they were privately dismayed at some of Governor White's tactics, and I think it was their influence toward the tailend of the session that got him to change his approach and to spend more time working directly with the legislature instead of criticizing the legislature. I think that by-and-large, under the circumstances, they did a good job.

Marcello: As an alternative to this teacher pay increase, I think that in the interim a special blue ribbon education study group had been established. Are you at all in favor of that, or what was your reaction toward it?

Agnich: Yes, I was. I think that it was high time that we try to take a dispassionate look at our educational system, see what its failures were, what was good about it, and try to rectify it. I, of course, can't speak for that committee, but I think when they come out with their final report, they're going to have some kind of teacher accountability in there. They're going to have some merit pay proposals in there, and, you know, merit pay proposals are a very touchy thing with teachers because they can be abused, obviously. But my contention is that those abuses would be far less serious than the abuses we now have of not rewarding a good, dedicated teacher. They're the ones that ought to be paid, ...a really good, dedicated teacher is almost invaluable, and they ought to be recompensed accordingly. So I think it's a good idea. I think Ross Perot will do a good job at that.

Marcello: You anticipated my next question. Do you think it was in a sense a master stroke to appoint somebody of Perot's status to head this commission?

Agnich: Yes, I think so. I think it was an excellent move on Governor White's part. He'd been talking about special sessions in

January, and we kept telling him--and Ross Perot did--that there was no way they could finish that job. I would rather them take more time and be sure they did a good job than to try to cram something through for the purpose of getting a pay increase. There was an article--you may have seen it --in the Dallas Morning News yesterday by Representative Patricia Hill about teachers' pay raises and a special session. I think she's absolutely right. I don't think this is something we ought to tack on a special session. The earliest we can get to it now will probably be June at the most, and we've only got six months from then that you're right in the middle of a political campaign. I think we'd be much better off to take a good hard...take that committee's report and work on it and come out with some sensible program for financing our educational system and paying our teachers.

Marcello: Another one of the governor's favorite programs during that session was the establishment of an elected Public Utilities Commission. This is something, of course, that you had alluded to awhile ago. Let's pursue this a little bit further. Where do you think he was coming from in wanting the establishment of an elected commission. Obviously, this is a campaign promise that he made.

Agnich: I think it was primarily a campaign promise that he had made. You know, in his campaign, he said, "If you elect me, I'm going to reduce your utility rates." Well, as soon as the

election was over, he admitted publicly that he couldn't do that (chuckle). There's just no way. I don't know other than that what his reasons would be, but I would think that that would be a catastrophic thing. I just think it's so bad that he'd be making a totally, complete political football out of the whole process. You can't legislate yourself into prosperity. There's just not any way, and you've got public utilities companies...they are utilities, and they are therefore monopolies. They've got to be financially profitable because otherwise they can't finance the construction of the plants and everything that are needed. The state's position ought to be one of looking at them to make sure that they do indeed operate efficiently and that they are not throwing money away because, "Well, if we don't do it, we'll get the profits, anyway."

I think that the state ought to be looking very carefully at something that has not been mentioned, and that is the relationship between the utility companies and their unions. You see, a union, in negotiating with a utility company... one of their perhaps not publicly stated positions is that, "Look, if you don't give us this money, you're not going to get it back in profits, anyway. So why not just give us these things that we need?" I think you'd find that there could be a hell of a lot of money saved if you looked at that carefully, though I can understand the noise and the clamor.

that'd be raised if you came up with that. But I think that's something we should do.

Marcello: What do you think would happen if we did have a system whereby the members of the Public Utilities Commission were elected?

Agnich: Well, the question is, of course, how are they going to be elected? Are they going to all run at one time, or are they going to have staggered terms? And who's going to get elected? Somebody's going to run and say, "Well, if you elect me, I'll lower your utility rates," even though everybody knows that can't happen. A statewide campaign is going to cost God knows how much money--probably a million bucks per race.

Marcello: And who possibly could control those campaigns?

Agnich: Who's going to be giving the money for the people running for office? I think you'd be doing just the reverse of what you're trying to do because in order to get elected the candidate has got to have strong financial support. Where does it come from? Well, it'll come from the utility companies probably. It's sort of like the railroad commission; it's about the same thing. So I just think it's foolish.

Marcello: Okay, you were appointed to chair a committee this session. I'll give you a chance to brag about yourself. First of all, which committee was it?

Agnich: Environmental Affairs.

Marcello: Which is one of your...

Agnich: Yes.

Marcello: ...favorite committees. Describe how this process came about, that is, your appointment.

Agnich: Well, the speaker called me up the day after he was elected speaker and said, "What do you want? Do you want to be on the Appropriations Committee, or do you want to chair the Environmental Affairs Committee? You can't do both." I said, "I want to be chairman of Environmental Affairs."

There was a good reason for that. In the last session, I carried--and we got passed--the Texas Wildlife Conservation Act of 1983, which repealed I don't know how many local game laws, got rid of that horrible situation where county commissioners were trying to enact game laws. It was a totally hodge-podge system, and we just eliminated all of them and put everything under competent scientific management. Everybody told me, when I first got that idea, "Oh, you'll never get that done." Well, it wasn't done by accident. I went to "Gib" Lewis way before he was elected speaker--it was early in 1982--and I said, "'Gib,' look, this is what I want to do." He said, "Man, I'm with you all the way because that's a horrible situation" because, you know, he's quite a hunter. Then we talked to some other people, and out of that we formed the Texans for Wildlife Conversation headed by "Bubba" Woods here in Dallas. They set up a statewide, powerful organization and really got the top people across the state

and got the endorsements of some 750 hunting and fishing clubs plus the Sierra Club, the Audubon Society, League of Women Voters--you name it--and that's how it was done.

The speaker was extremely helpful in that process, and that's one of the reasons I felt I'd be chairman of Environmental Affairs, because I knew of his great interest in that bill. It was interesting to observe that we not only worked with the speaker...and we had more difficulty in the Senate than in the House, and we finally got it through, and Governor Hobby was all for us all the way. I had been a little dismayed when Clements lost the election because I knew he'd be all for it all the way, but then in talking to Governor White, he was all for it, too, so we got it done.

I think that was the main piece of legislation my committee put out, but we did a lot of other things, too, in that committee. Another bill I carried was the Non-Game Stamp Bill. We have duck stamps for hunters and everything. This is a stamp, and the proceeds of the sale will go for the protection of endangered species in Texas. The Audubon Society came to me first and asked me to do it, and I think it's going to work just fine. They're going to come out with their first stamp early next year.

Marcello: Now who would be paying this fee?

Agnich: Nature lovers. The Audubon Society, Sierra Club, and, I expect, lots of hunters will do it, too. I think they'll



have a rather broad sale. I think we'll generate an appreciable sum of money.

Then we passed the bill carried by Representative Danburg, who was my vice-chairman, and her bill had to do with the establishment of a Texas trails system, a hiking system across the state. We passed that.

We killed some bad legislation--some really horrible legislation in the process. That is as important, perhaps, as passing good legislation.

It was interesting to observe that about halfway through the session, the Texas Observer, which, as you know, is a rather liberal sheet, got after me and called me a Texas version of Jim Watts's anti-environmentalism. That didn't bother me any because in my district, well, that's a plus to be downgraded by the Observer. But without my knowledge, a group of twenty-four people sent a letter to the Texas Observer, and it was signed by the Texas Sierra Club, the Texas League of Women Voters, the Audubon Society, Ned Fritz's group--all of the groups that were interested in environment--and they really took the Observer to task for that statement and said that it just didn't really look at the record. If it had, it wouldn't have done that. So I was real pleased with that.

Marcello: The Observer should have come to North Texas and read your oral history interviews before they call you an anti-environmentalist.

Agnich: That's right--before they did that. Well, they based all their opposition on one bill late in the session which was carried by Representative Ed Watson. It was a bill that had to do with people who worked in plants where toxic substances are employed, and it had requirements that they had to keep medical records for forty years. It was unworkable in that form. But it came up late in the session, and Watson said to me, "I got a fair hearing." I referred it to a very favorable subcommittee to work it out, but it was too late in the session. I don't know whether I'd approve that kind of a bill or not, but at any rate I certainly didn't put any blocks in its way.

Marcello: Let's get off the subject of the legislature and talk about something else. As a historian, I am very interested in the history of the modern Republican Party in Texas. I would like you to assess what happened in the gubernatorial campaign of 1982. How do you explain Governor Clements's defeat, which, I think, was a surprise to many, many, many people?

Agnich: Well, I knew all along that Clements would have a very tight race, but I did think he would win it. Remember, that he won four years previously by--what--16,000 or 17,000 votes. The thing that caused his defeat was the unprecedented turnout of Democrat voters. There were a number of reasons for it. I think one was that the Democrats put more effort into their registration campaign than they have

in the past, and the Republicans were sort of complacent and didn't do as much.

Secondly, was the entry of Jim Collins in the race against Lloyd Bentsen. Jim's a good friend of mine, and I've know him for years. I and several others did everything we could to try to dissuade him from the race because we felt it was not a race he could win and that when he did it he would turn out the Bentsen organization full blast, and that certainly happened. So that definitely was one of the factors.

But even so, considering the time and everything, in retrospect it would have been difficult for Clements to win even if that had not happened. But I think it demonstrates that despite Republican victories with Tower and Clements and our increased numbers in the legislature, Texas is still a Democratic state by-and-large, and I think you just have to recognize that. It's going to take some more time to change that.

Marcello: Do you think that the increasing urbanization of Texas will have a great deal to do with changing that?

Agnich: Yes. If you look at the Republican strength across the state, they are in the large cities, particularly all of the suburbs around the large cities--not only here but in Fort Worth--not as much in Fort Worth--but also Houston, of course, and San Antonio, the outskirts. Amarillo and Midland...and those

people that come down here are generally Republicans; I mean, they're the kind of people that subscribe to Republican principles, and you would expect that to happen.

Now there's a counterforce, and that is the increasing number of Hispanics in the state. While Republicans have done better there than they have with the black votes, still, by-and-large, the increasing number are Democrats. There is a greater sense of getting people registered than there has been in the past, and that has a counter-balancing effect. How that will work out in the long run, I don't know.

When you speak about running for office...I made a talk about a week or ten days ago to the Hamilton Park Civic League. Hamilton Park is an area just east of here in the center of my district that is black. It was developed years ago by some people who felt that the blacks ought to have a better place to live, and it's a pretty nice neighborhood. Well, I was, of course, the only white there, and I was well-received. They were polite and everything but definitely not overly-enthusiastic. One of the black men there said, "Well, what chance would I have if I wanted to get more involved in the state government and run for the state legislature?" I said, "Well, about the same as a snowball in hell." He said, "Why? Because I'm black?" I said, "No, that has nothing to do with it." I said, "You're a Democrat, aren't you?" He said, "That's right." I said, "You happen to live

in a district where you are surrounded by an overwhelmingly Republican-voting people. If you want to get elected to the state legislature and don't want to move, then you ought to become a Republican." He didn't think much of that. But I also went on to say...you know, I think that the blacks are doing themselves a great disservice by their overwhelming approval of Democrat candidates. I think it really takes a big stick away from them, and they ought to look back over history and see how they have been treated by-and-large by the Democrats, and they ought to understand that.

Marcello: Well, they are, I think, placing themselves in the same position that they previously had when they voted Republican all the time and were taken for granted.

Agnich: That's right. That's right--and get taken for granted. I suppose I'd get slaughtered politically for saying this, but I really believe that there ought to be some basic requirements for voting. I think that anyone, before he should have the privilege of voting--and it is a privilege--should have to demonstrate first that he can read and that he can write and that he understands at least a few basic, simple facts about our governmental system. People will say, "Well, it will get abused." That's right. I remember the story about Stone County, Mississippi, years ago when they had a reading requirement. This black man came in, and they gave him a Chinese newspaper to read. He kept turning it upside

down, and they'd say, "Come on! What does it say?" He said, "It say here right plain. 'Very damn few blacks are going to vote in Stone County this year.'"

I recognize that, but we have laws now that can be enforced to prevent that kind of thing. Even where some abuses occur, I maintain that they would be less harmful to the future of this country than those we now have because an uninformed electorate, and one that does not understand much about our governmental system is prime fodder for the demagogue. And that is my concern. I doubt that we'll ever do anything about it, but, anyway, that's the way I feel.

Marcello: Well, I think that's a pretty good note to end this interview on. Once more, I want to thank you very much for taking time to talk with me. As usual, you've been your candid self, and, of course, that's what we're looking for in these interviews.

Agnich: Well, thank you, Ron. I've always enjoyed it and hope we do it again in the future.